



engro powergen qadirpur

10 June 2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Disclosure of Material Information

Dear Sir/Madam,

Further to the Company's disclosure letter to the Exchange dated 1 June 2022 ("**Disclosure Notice**"), and pursuant to Clause 5.6.2 of the PSX Rule Book, the Company would like to inform the Exchange that after discussion and deliberation by the Board of Directors of the Company on the recommendations made by the Projects' Committee of PPIB ("**Committee**") in relation to the Gas Depletion Mitigation Plan/Option (GDMP/GDMO) ("**Proposal**") through its letter dated 30 May 2022 (as referred to in the Disclosure Notice), a decision has been taken by the Board of Directors of the Company to accept the Proposal in principle on the basis of the terms and conditions set out therein. The Proposal is further subject to the approval of the PPIB Board and consents required under the Implementation Agreement.

The salient terms of the Proposal include *inter alia* the following:

- (i) EPQL will utilize RLNG as the comingling fuel with available Qadirpur permeate gas or HSD, as the case may be.
- (ii) The term of the GDMP/GDMO shall be for a period up to December 31, 2025.
- (iii) There will be no provision of minimum dispatch or guaranteed off-take on any fuel in the PPA.
- (iv) All CAPEX and other associated costs to be incurred in relation to implementation of GDMO will be exclusively incurred by EPQL, with no liability or obligation of GOP, Power Purchaser or any other GOP entity under the respective project agreements.
- (v) EPQL will obtain approval of supplemental tariff with respect to fuel cost component from NEPRA for operating the plant on comingled RLNG.
- (vi) The project agreements (IA, PPA, GSA) will be amended to the extent necessary to give effect to GDMP/GDMO.

(vii) RLNG will be supplied by SNGPL on “as and when available” basis.

The Committee also recommended that the project be re-evaluated in 2025. Moreover, the option of using Kandhkot gas by the Company for power generation will simultaneously be explored further.

We shall inform the Exchange and shareholders as and when any material information is available in respect to this matter. You are requested to disseminate the above information to the members/TREC Holders of the Exchange.

Sincerely Yours,



Hanan Batool
Acting Company Secretary

Cc:

1. The Director (Enforcement),
Securities & Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad
2. The Director/Head of Department,
Surveillance, Supervision and Enforcement Department,
Securities and Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad



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DISCLOSURE FORM IN TERMS OF SECTION 96 OF THE SECURITIES ACT, 2015

Karachi, June 10, 2022

Name of Company: Engro Powergen Qadirpur Limited

Date of Report: June 10, 2022

Address of Registered Office: 16th Floor, The Harbor Front Building, HC # 3, Marine Drive, Block 4, Clifton, Karachi

Contact Information: Ms. Hanan Batool
Acting Company Secretary
Engro Powergen Qadirpur Limited

Disclosure of information by listed company in terms of section 96 of the Securities Act, 2015.

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DATED: June 10, 2022



Hanan Batool
Acting Company Secretary
Engro Powergen Qadirpur Limited